



Research report

Online Tax Registration Service research

Usability testing OTRS prototypes for the One Click service

BT SME Programme

March 2012

{Project name}

BT SME Programme

The 'BT SME Programme' is part of the wider Business Tax Change programme within HMRC and aims to improve the way HMRC engages with business customers, helping them 'get it right first time'. The Programme will deliver improved online channels that will:-

- enable business customers to self serve
- design out error through simplification of rules and processes
- provide educational support.

The aim is to minimise unnecessary customer contact, ultimately benefitting both the customer and HMRC.

The Programme is aligned with HMRC's Business Customer Segmentation and Customer Centric strategies.

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Research requirement (background to the project)

HMRC's 'One Click' service is intended to provide small and medium-sized enterprises (SMEs) with a single online point of access to all the services, help, information and guidance they need on tax and other matters. Various elements will combine to provide this service:

- a new single point of access for new SMEs offering information and guidance they need called "**my new business**" on the businesslink site
- an **Online Tax Registration Service (OTRS)**: a service which allows businesses to register for the four main business taxes and associated online services
- a **Business Tax Dashboard (BTD)**, a single online statement summarising the business's tax position
- the **VAT Registration Transformation (VRT)**: updated online VAT registration, as part of an overall streamlining of the process

To build on previous research covering the context in which SMEs will use the new products and initial user testing, further usability testing research was commissioned to assess perceptions of OTRS, BTD and VRT. Each of these systems was to be tested separately.

The core objectives were to...

- gauge consumer understanding and perceptions of the products
- examine potential use and navigation
- assess reactions to the language used and how it affects user experiences
- explore perceptions of the help and support available when using the products
- identify areas of uncertainty or difficulties people encounter when using the product
- assess how the current versions might be improved in terms of design and usability

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Who did the work (research agency)

Cragg Ross Dawson (CRD), qualitative research specialists, conducted this project on behalf of HMRC.

When the research took place

The research took place in two waves:

- Wave 1: April 2011
- Wave 2: January 2012

Method, Data and Tools used, Sample

The sample for the OTRS work comprised 30 hour-long usability sessions in total, across two waves. The first wave comprised 18 sessions; the second wave comprised 12 sessions. Findings from Wave 1 informed development of the tool; the improved prototype was then tested in Wave 2.

Each usability session required respondents to use a prototype tool to perform a series of tasks as outlined in a specified scenario (allowing them to effectively role-play a potential user of the tool). Respondents narrated their initial impressions and comprehension of the tool before then going through it page by page to identify specific issues relating to language, tone, navigation and layout.

Interviews in the first wave covered both OTRS and BTD, rotating the order of prototype presentation to avoid any order effects. Interviews in the second wave focussed solely on OTRS.

The sample as a whole contained an even split of recent start-ups (i.e. those businesses started in the past year) and potential start-ups (those actively planning to start a business). The sample included a broad spread of age, experience, business sector and IT literacy (though all were able and willing to use the internet to conduct transactions). Sessions were split evenly across London, the Midlands and Leeds/Liverpool.

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Main Findings

Factors common to all One Click tools

Across both waves, it was evident that the most influential factors on respondent ability to use OTRS was strongly influenced by their general understanding of business and taxation, their IT abilities (particularly their level of confidence) and their prior contact with HMRC (especially online services). Those representing planned start-ups were sometimes, but not always, less familiar with business taxes and HMRC; they were consequently slightly more likely to struggle.

There was a general sense that the overall look and feel of the products was dull and uninspiring, though this was often thought an appropriate fit with both impressions of HMRC and the subject matter in general. The language used was largely perceived as straightforward and direct, though in both waves respondents identified specific examples of jargon or overly complex terminology.

The overall impression tended to be fairly positive, despite many respondents encountering problems related to language and/or misunderstanding. Most blamed themselves and their lack of tax knowledge for mistakes made and so were quite forgiving. However, prototypes were necessarily limited in terms of the options available to users; it seemed likely from observation that several respondents would have ended up in the wrong sections if using a live website.

Wave 1

The majority of respondents responded well to the Wave 1 prototype, navigating forward with little difficulty and achieving the objectives set out in the scenario with a fair degree of confidence in their success. Many felt the key to its usability was a clear layout which made OTRS seem accessible from the first encounter.

Users felt reassured throughout the process by a summary box on the left hand side of the screen, which was felt to offer simple access to the main features if required. Similarly, they approved of the way it returned to a registration Summary page, allowing them to check their progress at a glance. There was also some appreciation for those elements that provided simple guidance and reassurance, exemplified by the

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security message after logging in and the 'What you will need' list before starting the registration process.

Yet various aspects of this prototype presented clear obstacles to respondent progress. The core issues were:

- **Commencing registration:** it was unclear to many how to register for PAYE from the Your HMRC Services homepage; many arrived at the appropriate link by a process of trial and error, rather than through any intuitive process. Accompanying text was felt to be vague and insufficiently directive
- **Creating a new account:** the requirement to log out of the 'existing' account and create a new one with new government gateway credentials was surprising to all and unclear to many: few seemed certain why this should be the case. The explanation for this was seen as confusing and somewhat negative, meaning that some assumed they had made a mistake and others simply followed instructions without true comprehension. Consequently, many used the wrong login details when required to re-input them at the end of the process.
- **Terminology and language:** those least familiar with business taxes (and some of the more experienced respondents) were confused by some of the terms used and associated concepts. Common questions, which could often hinder progress, included...
 - can self employed/sole traders employ people?
 - are self-employed people automatically directors?
 - can an employer pay tax via self-assessment?
 - are sub-contractors part-time workers?

Some also raised concerns about the level of detail about employees required on the forms, though this was rarely seen as a major issue.

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It is worth noting that this version of the prototype had no help text facility, only icons; several respondents argued that they would have found it easier if they could access key definitions as and when required. That said, many did not notice help icons until prompted,

Wave 2

As before most responded positively to the prototype, though it seemed likely that some would have struggled or veered off-course if navigation was less limited. The positives and negatives highlighted here were often similar to those raised in Wave 1, though it was clear that respondents found the product easier to use and comprehend overall. Core concerns were as follows:

- **Help icons** were felt to be recessive in terms of colour, position and boldness and rarely noticed spontaneously. Help text itself was thought to be clearly written, authoritative and relevant, though there was some frustration with lengthy descriptions.
- **Presentation of detailed information** was, when presented as long, unbroken paragraphs, found to be off-putting and hard to read. They were often compared unfavourably to other instances where bullet points were used.
- **Repetition:** A number of respondents found the repetition (or perceived repetition) of some information (particularly contact details) frustrating and somewhat pointless. Most assumed it would be easy to import this information from elsewhere.

Regarding previously raised issues...

- **Terminology** was far less of a problem, with the majority praising the use of Plain English. Yet there were still some issues, the most problematic and persistent being the question of whether the self employed can employ people, or whether this changes their status.
- **Commencing registration** was easier than in Wave 1, but was still not clear to some users, who found the invitation to *register for HMRC services* vague and ambiguous.

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- **Creating a new account** was still unclear for many, although efforts had been made to improve the explanation around the Government Gateway. This was largely due to the fact that the new Register for HMRC Services page was perceived as too busy; some found that their attention was directed away from the explanatory information to a list of exceptions, which could lead to confusion and navigation problems. As before, almost all users attempted to use the wrong login details to confirm their identity

Despite these issues, the overall user experience was a significant improvement from the Wave 1 prototype, with users better able to understand what to do and why. Once encouraged to read key information or access the help text, most found it fairly straightforward (apart from the creation of a new account, as described above).